

Inquiries

Michigan Energy Efficiency Grant – Renewable Schools (Request for Proposals dated February 13, 2009)

- Q. What is the definition of "small scale", can this be defined as < X kW, i.e., small scale wind is considered up to (< or =) 100 kW. I looked in the ref. documents 2008 PA 286; MCL 460.10g(10)(g) and the web site <http://legislature.mi.gov/doc.aspx?mcl-460-10g>, but I could not identify the definition of "small scale," please advise.**
- A. It is up to the applicant to provide its definition of "small-scale" when submitting a proposal. The scale of the project will depend on many criteria and is likely to be different for different kinds of schools. What would be "small-scale" for a single elementary school could be much different from what is "small-scale" for a major university campus.
- Q. To be eligible for this grant, the applicant must be a nonprofit or public institution – which would leave design firms and other for profit organizations out of the grant? Besides individual schools, would you be able to give me 2 or 3 other "organizations" in the state that might/would submit an RFP for this grant?**
- A. In the interest of fairness and maintaining impartiality, we cannot give specific names of organizations. Anyone can utilize the MPSC's Michigan Renewable Energy Program (MREP) email distribution list to invite communications from eligible grantees. The MREP email distribution list is available on the MPSC's web site at: www.michigan.gov/mpsc. Simply scroll to the bottom of the page and follow the link within the box entitled "Stay Informed." Click on MPSC-MREP to subscribe to the mailing list. Using the following address: MPSC-MREP@listserv.michigan.gov, you may send an email to the MREP distribution list expressing qualifications and inviting contact from parties who are interested in completing an application for this grant.
- Q. What is the incentive for other public/non-profit institutions to apply for this grant?**
- A. Each potential applicant will have to review the RFP to determine whether and how this project fits with its mission and objectives.
- Q. How can a school contact those institutions that are granted money to get funding help to install these alternative energy options?**
- A. It is anticipated that applicants, in their proposals, will describe their plans and process to interface with schools. Once the grantee(s) has been selected the MPSC will issue a press release, and notice of the grant awards will be placed on the Low-Income and Energy Efficiency Fund web page (www.michigan.gov/lieefund). Interested schools can then contact the organization(s) that have been selected to receive grant award(s), to inquire about obtaining the services to be provided.

Q. Can an individual school district submit an RFP for a grant?

A. Yes. All applications will be considered and scored based on the selection criteria contained in Part VI of the RFP.

Q. The information in the Statement of Purpose on page 1 says that “The awarded organization should develop a financial plan that will result in the greatest number of educational institutions receiving installed renewable energy/energy efficiency systems and the resulting educational measures.”

Would this mean that individual schools that may want to install one wind turbine or devices on one building would most likely not be considered for a grant?

A. All applications will be considered and scored based on the selection criteria contained in Part VI of the RFP.

Q. What would be the role of a “for profit” company in helping school districts receive and/or help implement renewable energy devices to help them reduce energy costs?

A. Applicants may include contractual services in their proposals that can be provided by “for profit” companies. However, the primary applicant must meet the eligibility requirements as stated in the RFP.

Q. Are these grants strictly for schools, or can nonprofit organizations apply as well?

A. Nonprofit organizations can apply for the grants. The grants are available to nonprofit and public organizations. Public organizations are considered to be governmental agencies or educational institutions.

Q. If a prime applicant decides to partner with an organization, does the partnering organization have to be a non-profit? Can it be a private, for-profit business?

A. Yes, a prime applicant may partner with one or more private, for-profit businesses.

Q. Can a K-12 school district partner with another non-profit? Can it be another K-12 school district?

A. Yes, a K-12 school district, as prime applicant, could partner with other non-profit organizations or K-12 school districts. All potential applicants are strongly encouraged to carefully read the scoring criteria in Section VI of the RFP.

Q. Can the prime applicant, if it is a K-12 School, provide services to another K-12 school district?

A. Yes, if a K-12 school district received a grant, it could provide services to another K-12 school district(s). All potential applicants are strongly encouraged to carefully read the scoring criteria in Section VI of the RFP.

Q. In Section III-A, third paragraph you indicate that selected applicant(s) become established with one or more service providers. You have defined the service provider expertise, could you please define a service provider and provide examples of whom and what that should be?

A. In the interest of fairness and maintaining impartiality, we cannot give specific names of organizations. The service provider will be an organization with the resources, knowledge, and capability of carrying out the responsibilities established in the RFP, especially those functions described in the third paragraph of Section III-A.

Q. Can an organization submit two proposals, or alternatively one proposal with two options from which the MPSC may select at its discretion?

A. Multiple proposals from the same organization are allowed under the Renewable Schools RFP. A review of the scoring criteria may help in determining whether to submit one or multiple proposals.

Q. Regarding Part I, I-Q, Partnership Responsibilities. Please explain what is meant by "Partnering organizations must respond to Section V, Information Required from Applicant." Is this response to be included with the primary applicant's proposal?

A. The prime applicant and partnering organization(s) must respond to Part V of the Request for Proposals, "Information Required from Applicant." These responses must be included with the prime applicant's proposal.

Q. Would schools housed inside churches also be included under this grant?

A. We are not presently aware of any reason why a school housed inside a church building would not be eligible to participate in this program, but that is a detail that cannot be determined with certainty until we know the final program design as provided by the applicant(s) to the Request for Proposals.

Q. In Part III-A, third paragraph, the RFP explains that an objective of this grant is for the selected applicants to establish themselves after the term of the grant award to provide expertise for other organizations. For how long after the term of the grant award is the applicant expected to provide this expertise? Indefinitely?

A. It is anticipated that the grantee and/or its partners will remain available to assist additional Michigan schools and other interested parties with the deployment of on-site renewable energy technologies and energy efficiency measures for as long as the need arises. Proposals will be scored, in part, based on the work plan which should include a discussion about how the applicant intends to provide this capability for the continuing provision of support to organizations after the term of the grant award.

- Q. Part III-C, (6) states that an objective is to: “Establish a production and/or savings based incentive mechanism that rewards the educational institution for the output/savings of the system, not the initial cost.” What does this mean?**
- A. There are many possible ways of providing financial incentives for the installation of energy saving or energy producing equipment. Some such methods can be based on the initial cost of the equipment and installation. An example would be a cash rebate program or direct credit based on the equipment cost. Another mechanism that is widely used is to base the incentives on the long-term energy production or long term energy savings that result from installations. An example might be provision of a credit based on measured savings or metered production, with the credit provided each month or each year. It is up to applicant(s) to develop the best available designs for an incentive mechanism or mechanisms.
- Q. Do in-direct costs associated with the education component count against the 20% limit?**
- A. Yes. Please see the RFP, Appendices B and C (pages 34 and 35) for calculation of indirect costs.
- Q. The church I serve is keenly interested in applying for a grant to install a photovoltaic system on our building. As I read your RFP, at times it seems that as a non-profit we would qualify to apply, but at other points it seems geared specifically to schools. While we are not a school per se, we do carry out a good deal of educational activity with our members, constituents, and community. Please let me know as soon as you can if we will even be considered.**
- A. All eligible, interested parties are encouraged to apply. All applications will be considered and scored based on the selection criteria contained in Part VI of the RFP.
- Q. Is the purpose of the grant to provide funding for one or more “administrator-grantees” which will then award funds for installation and operation of renewable energy systems? Or alternatively, is the focus to actually provide initial and direct funding to provide a specific energy related project or projects?**
- A. The purpose of the grant is to provide funding to one or more non-profit or public organization that will design and coordinate a means to facilitate the successful installation and operation of small scale, on-site energy systems using renewable energy sources and energy efficiency upgrades at multiple Michigan public and private K-12 schools, community colleges, junior colleges and universities.

Q. I am preparing a renewable energy and energy efficiency proposal for a school. Is there a way I can be notified when the grant(s) are awarded so that I can submit my proposal to the selected applicant(s).

A. You may visit the MPSC web site (www.michigan.gov/mpsc) and subscribe to the MPSC's electronic distribution list(s). Scroll to the bottom of the Home page and follow the link within the box entitled "Stay Informed." The grant(s) will be awarded via a Commission Order and will also be announced in a press release. For this grant, interested parties should subscribe to the "MPSC-MIEE – Michigan Energy Efficiency Grant" distribution list.

Q. Is this grant federal funds that are being awarded to the state? Does this subject organizations to A133 and yellow book auditing procedures?

Is there a requirement for federal cost submission for budget items?

A. The monies available through this grant are not federal funds and are not subject to federal reporting requirements. Please refer to the RFP, Section I-C, Issuing Office and Funding Source.

Q. Can an organization choose to focus its efforts only on K-12 schools?

A. An organization can choose to focus its efforts on any of the educational institutions set forth in the RFP, Section I-A and Section III-A.

Q. Can we see a copy of the C-108 reporting form prior to submitting the grant?

A. The C-108 will be provided to selected applicant(s) by the Grant Administrator.

Q. If we, as the non-profit organization applicant, are interested in partnering with other organizations (non-profit and/or for-profit) to conduct parts of this project as subcontractors to us, can these partners be party to our initial application or must we conduct competitive bidding for those pieces of the work after being awarded the grant?

A. If an applicant chooses to "partner" with other organizations, the partners may be party to the initial application (RFP, Section I-Q). Services provided by "partners" do not require competitive bidding. All services included in the proposal that will be performed by "subcontractors" must be competitively bid (RFP, Section II-I, and Section V-I(2)(i)).

Q. When you say "establish procedures to identify and hire capable contracting services, and act as liaison between the educational institution and contractor(s)" does this mean the installers are to be hired by schools (with our help as liaison) or hired by the Applicant?

A. It is up to the applicant, when developing the proposal, to determine the process for hiring contractual services that will benefit the project.

Q. How many grants are expected to be awarded. Is there a suggested dollar "range" that is preferred by the MPSC? What is likely to be considered too small, and what might be considered too large a proposal amount?

A. It is anticipated that one or more grants will be awarded. It is up to the applicant to determine the amount of funding needed based on the magnitude of the proposed project.

Q. Our organization has secured funds to construct a building that will include a geothermal system. We would like to use this grant, Michigan Energy Efficiency Grant - Renewable Schools, to install solar panels for this new building. The question pertains to the matching funds.

Can the secured funding, and funding our organization will provide for the construction project be used as match for the Michigan Energy Efficiency Grant - Renewable Schools project?

A. All in-kind or matching fund expenditures included by an applicant in its proposal must be directly related to the MPSC-approved grant project, and applicant must disclose the funding sources for all in-kind or matching funds. If selected for a grant award, the applicant must provide source documentation for all in-kind or matching fund expenditures.

Q. Can the grant application deadline be extended, or will a draft version be acceptable by the March 13 deadline?

A. The grant application deadline will not be extended, and drafts of grant proposals will not be accepted.

Q. Please clarify Section II-E, Order of spending. We have bond funds for a building renovation/addition project that includes geothermal heating and cooling system. If we met your standards and requirements, would you fund the geothermal system, or would we be required to use our bond funds? Would you only fund the items we do not have funding for - the educational and expertise areas?

A. Section II-E, Order of Spending refers to the funding sources that make up the grant. Please refer to Section I-C for the grant funding source. Bond funds can be used as leveraged resources.

Q. Are in-kind or matching funds required? I know they are always encouraged but I do not see a requirement.

A. In-kind funds are not required.

Q. As a municipal utility, I know we can partner with existing educational institutions, but it also looks like all renewable or energy efficiency measures must be installed on educational institutions. Can these measures be installed on public, non-profit, or other governmental buildings, as long as the educational aspects of the grant are met?

A. Please refer to Part III, Section III A, Purpose. Proposals shall be submitted by non-profit and public organizations that will facilitate the installation of renewable energy and energy efficiency measures at multiple Michigan public and private K-12 schools, community colleges, junior colleges and universities.

Q. We are a volunteer group of qualified experts in designing and installing solar energy systems and we would like to apply for funds for system parts (panels, frames, inverter, etc.) and installation costs (carpentry, electrician, etc.) – is this grant applicable to our situation?

A. All eligible, potential applicants are encouraged to carefully read the following information contained in the RFP: Section III-A, Purpose; Section III-C, Objectives; Section III-D, Tasks; and Part VI, Selection Criteria.

Q. One of the stated goals of the RFP in III-A, Purpose, paragraph 3 is "for the selected applicant(s) to either become established themselves, or otherwise ensure the establishment of one or more service providers that will remain available, after the term of the grant award"

Could these new service providers be for-profit organizations, or are they limited to non-profit and public organizations?

A. The service providers that will remain available after the term of the grant award can be for-profit organizations.

Q. Is it an expectation of the MPSC that the "small scale, on-site energy systems" be monitored for performance and integrated in a web-base software system?

A. The MPSC does not have a preconceived expectation about specific methods for performance monitoring. It is up to the applicant, when developing the proposal, to determine whatever means it believes will be most efficacious.

Q. Given the rapidly changing landscape of funding for renewable energy and energy efficiency funding, to what extent does the MPSC expect detailed plans and projections for leveraging additional funding to programs funded by this grant?

A. It is up to the applicant to determine the amount of detail that will be provided in the proposal. Applicants may also provide a detailed explanation of any ways the plans and projections for leveraging additional funding may vary, depending on any anticipated changes. Please refer to Section III-C, Objectives; Section III-D, Tasks, and Part VI, Selection Criteria.

- Q. Section III-C(6) of the RFP requests the creation of a financial incentive program that "rewards the educational institution for the output/savings of the system, not the initial cost." Given the impending establishment of the *Michigan Saves* program, and in the interests of providing services and funding to the maximum number of schools, would the MPSC consider acceptable an application which does not create this financial program, but rather proposes a mechanism to facilitate the access of schools to the *Michigan Saves* program?**
- A. It is up to the applicant, when developing the proposal, to determine the financing mechanism(s) it believes will be most efficacious. All applications will be considered and scored based on the Selection Criteria contained in Part VI of the RFP.
- Q. Section I-D requests the submission of a six-page Executive Summary. However, Part V - Information Required from Applicant does not mention this request. Is the Executive Summary an additional document, to be provided in addition to the maximum 40-page proposal?**
- A. The six-page Executive Summary is included in the 40-page maximum.
- Q. Is it correct to assume that attached resumes count toward the 40-page maximum of the proposal?**
- A. Applicants should keep proposals as close to the 40-page maximum as possible.
- Q. The RFP states that there is no cost share, yet Part VI, Selection Criteria, 5(c) states that the applicant should demonstrate the ability to "leverage additional funding for educational institutions, achieve economies of scale through bulk purchasing and/or utilize existing financial incentives (e.g. tax credits, grants, utility tariffs)." The RFP lists a nine-point grading system with $\geq 100\%$ receiving the maximum nine points. Therefore, would an optimal applicant demonstrate the ability to provide in-kind dollar to dollar match? Would this be demonstrated in the applicant's budget under the header "In-Kind or Matched (not required)?"**
- A. All applicants are encouraged to carefully read the RFP, Part VI, Selection Criteria. All anticipated leveraged funds should be placed under the "In-kind or Matched Fund" column of the budget. It should be noted that leveraged funds are not necessarily the same as cost share. Leveraged funds may come from any source of funding that is internal or external to the applicant and any of the applicant's partners. For example, bank financing might be leveraged.
- Q. If a private company is one of the applicant partners providing both technical assistance and contractual services, can the applicant include some of the partner costs related to the team effort to plan the educational and technical aspects of the project under Other Expenses as consultants or under Personnel as part of the partnership?**

- A. Please refer to Section I-Q, Partner Responsibilities, and Section II-C, Program Income. All services included in the proposal that will be performed by “subcontractors” must be competitively bid and placed under contractual services (RFP, Section II-I, and Section V-I(2)(i)).
- Q. If a private company is one of the applicant partners and wishes to perform some of the contractual work, would they be able to bid on the work in a competitive three-bid process described in the RFP by the applicant? If a sole source contract that is favorable to the applicant is negotiated, could it be submitted for approval to the Grant Administrator as described on page 8 of the RFP.**
- A. Please refer to Section I-Q, Partner Responsibilities, and Section II-C, Program Income. All services included in the proposal that will be performed by “subcontractors” must be competitively bid (RFP, Section II-I, and Section V-I(2)(i)).
- Q. How does an applicant identify a utility company that has submitted their 2008 PA 295 Renewable Portfolio and Energy Optimization plans, particularly as the state provided an extended deadline of April 3, 2009? See: U-15800, Compiled Q&A Related to Technical Conferences, 2008 PA 295, January 5-6, 2009.**
- A. On the MPSC website (www.michigan.gov/mpsc) click on “Electricity” in the left column. Under “Spotlight on Electricity” click on the link “Renewable Energy and Energy Optimization Plan Information Page.” The direct link is: http://www.michigan.gov/documents/mpsc/eeinfopage_269026_7.htm. With the exception of municipal electric utilities and member-regulated cooperative electric utilities, all other supplier applications for 2008 PA 295 Renewable Portfolio and Energy Optimization Plans have been filed and can be accessed through the link. Utility contact information is accessible through the MPSC website, click on “Electricity” in the left column, and scroll to the bottom of the page to “Utility Information.”
- Q. Section I-A, paragraph 4 of the RFP suggests that incentives could be considered as seed money that will be repaid out of energy savings. This creates the possibility of revolving funds that can be applied to additional projects. Would this “loan repayment” accrue to the recipient such as the school or institution, or go back to the grantee to be utilized for a project for a different institution?**
- A. It is up to the applicant, when developing the proposal, to determine the financing mechanism(s) it believes will be most efficacious.
- Q. We intend to use our own previously developed proprietary software to do energy bill analysis. Is our propriety software exempt under II-K Intellectual Property?**
- A. It is up to the applicant, when developing the proposal, to provide a detailed description of any preexisting intellectual property. Applicants are encouraged to carefully read Section II-K, Intellectual Property.

Q. What is the utility provider partnership? Please clarify.

- A. It is up to the applicant, when developing the proposal, to determine whether and how it will partner with one or more Michigan utility. Any proposed partnership should be explained in the proposal. All applicants are encouraged to carefully read the RFP, Part VI, Selection Criteria.

Q. Can contractual costs include construction and renovation costs?

- A. The costs for constructing renewable energy equipment or energy efficiency measures can be included. All applicants are encouraged to carefully read Section III-C, Objectives; Section III-D, Tasks; and Part VI, Selection Criteria